Recessionary trend in tourism sector

2206. SHRI SURESH PACHOURI: Will the Minister of TOURISM AND CULTURE be pleased to state:

(a) whether tourism sector is facing recessionary trends recently;

(b) if so, the details thereof;

(c) whether some State Governments like Madhya Pradesh, Maharashtra and Karnataka have taken measures to deal with the recessionary trend;

(d) if so, the details thereof; and

(e) whether Government propose to provide a package to lift tourism sector from recession?

THE MINISTER OF TOURISM AND CULTURE (SHRI JAGMOHAN):(a) and (b) There has been a decline of 4.2 per cent and 15.2 per cent in foreign tourist arrivals to the country during the year 2001 and January to July of 2002 respectively as compared to corresponding periods in the previous years. However, there has been a growth of 6.4 per cent in the domestic tourist visits within the country during the year 2001 as compared to the year 2000. The data for the first quarter of 2002 available for 16 States/UTs shows a positive growth in the domestic tourist visits in the country. In view of these divergent trends, incidence of recession in the tourism sector as a whole is not established.

(c) and (d) In order to boost tourism, the Department of Tourism, Govt. of Maharashtra has embarked upon a special marketing and publicity campaign to promote tourism sites in the State. The State tourism received large publicity by participating in the World Tourism Mart, London last year and in the Berlin Tourism Festival this year. Special packages for Maharashtra Tourism Development Corporation (MTDC) resorts have been announced. MTDC has also signed a Memorandum of Understanding with Indian Airlines to give boost to tourism in Maharashtra. Department of Tourism, Govt. of Madhya Pradesh is giving emphasis on marketing and package tours. It has announced various packages which include honeymoon packages, senior citizens discount and summer discount. Department of Tourism, Govt. of Karnataka is making aggressive marketing overseas by participating in World Tourism Mart-London, ITB Berlin, Arabian

Travel Market at Dubai etc. State Govt. also plans to provide infrastructure facilities at important tourist destinations.

(e) The Central Government in its Budget proposals for 2002-2003 has announced the following tax concessions relating to tourism industry:-

- Exemption of Air Travel Tax on air travel from and to North East.
- Extension of service tax exemption given earlier by one more year. In cases of functions and banquets where the entire Bill is for catering services, no service tax would be charged.
- Expenditure Tax on hotels henceforth to apply only to room charges.
- Threshold of Rs.2000 raised to Rs.3000 for levy of Expenditure Tax.
- Disparities between 80HHC and 80HHD of the Income Tax Act removed (Under Section 80HHC the exemption is for 100% of the total foreign exchange earnings. But for hotels, under section 80 HHD it was 50% and the balance 50% was exempted if it was kept in a reserve and used for specified purposes). Now this disparity stands removed.
- Deduction of 50% of profits earned by units setting up convention centres will be allowed for 5 years under section 80IB of the Income Tax Act.
- Customs Duty on imported liquor reduced from 210% to 182%.
- TDS under Section 194H of the Income Tax Act reduced from 10% to 5%.

Protected monuments in Karnataka.

2207. SHRIMATI PREMA CARIAPPA: Will the Minister of TOURISM AND CULTURE be pleased to state:

(a) the details of the monuments in Karnataka which have so far been declared as protected monuments;

(b) the amount released during the year 2001-2002 for taking up preservation and other development works in these monumental sites;

(c) whether Government have any plan to declare some other monuments as protected monuments in Karnataka; and